

# Climate data

Quantify climate risk exposure across municipal bond and MBS portfolios

With extreme weather events on the rise there is increasing concern over how the U.S. municipal bond and mortgage-backed security MBS, which may be particularly vulnerable to physical events, will manage these challenges. Climate and ESG data may be able to provide an added layer of transparency into the risks and opportunities in these markets.

ICE's Climate Data applies geospatial climate, economic and demographic data to specific U.S. municipalities, MBS pools, and related fixed income securities. This new level of transparency can help U.S. municipal and RMBS and CMBS market participants inform their investment decisions on bonds or securities that may have high climate risk exposure in an existing portfolio.

## Key features

- **Extensive coverage of U.S. municipal and MBS market:** CUSIP-level coverage of ~98% of the ~\$4T in outstanding municipal debt and ~95% coverage of the U.S. MBS universe.
- **Scores:** To allow for ease of comparison, scores are available. The risQ Score is a unified metric on a scale of 0-5 used to compare securities, assess portfolios and benchmark to indices. The Score is built from underlying risQ Flood, risQ Wildfire and risQ Hurricane Scores.
- **Climate hazards measured, reflecting current and future climate scenarios:**
  - ☒ Heat stress
  - ☒ Wildfire
  - ☒ Flooding
  - ☒ Hurricane
  - ☒ Drought
- **Flexible delivery:** Data can be provided in a file-based solution at the security level, allowing for integration into risk systems and other analytical tools. A user-friendly web platform is also available with climate risk and geospatial visualization.
- **Commentary on new issuances:** Weekly climate risk commentary on new issuances.
- **Climate action plans:** an expansive database on state and local government climate resilience planning.



## Use cases

- **Security selection:** Scores at the security-level may help inform portfolio construction and maintenance by reducing exposure to securities with high climate risk.
- **Portfolio management:** Scores can be aggregated at the portfolio-level for investor-facing summary statistics or to compare portfolios against each other and to benchmark against a selected index.
- **Credit analysis – issuer climate profile and disclosure:** Credit analysts may leverage the risQ Score, and underlying climate metrics, to help identify undisclosed climate-related risks in the preliminary official statement.
- **Credit Surveillance:** Credit Surveillance teams may better anticipate potential economic challenges associated with climate change, including longer term population migration effects.
- **Impact investing:** Use risQ Scores, climate action plan data, and weekly commentary to help identify securities that fund climate risk mitigation initiatives and align your investment with your values.

## Delivery

Flexible delivery options include a file-based solution at the security level, allowing for integration into risk systems and other analytical tools, as well as a web user-interface.



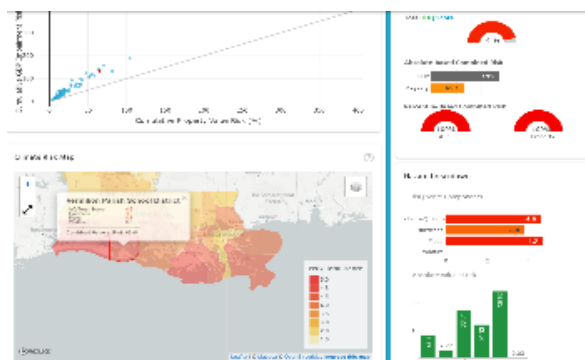
Customizable capabilities allow for user-defined searches and templates.



Downloadable visuals and the ability to generate custom reports.



Portfolio analytics with daily alerts for wildfire and hurricane events.



For more information: [ice.com/sustainable-finance-data](https://ice.com/sustainable-finance-data)

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